

CITY ETHICS COMMISSION

Helen Zukin
President

Sean Treglia
Vice President

Michael Camuñez
Nedra Jenkins
Paul H. Turner

**CITY OF LOS ANGELES
CALIFORNIA**



LeeAnn M. Pelham
Executive Director

200 N. Spring Street
City Hall – 24th Floor
Los Angeles, Ca 90012
(213) 978-1960
(213) 978-1988 Fax
<http://ethics.lacity.org>

Whistleblower Hotline
(213) 978-1999
(800) 824-4825

**REGULAR MEETING AGENDA OF THE
LOS ANGELES CITY ETHICS COMMISSION**

**Tuesday, July 15, 2008
9:30 a.m.**

APPROVED

**City Hall, Room 1050 – 10th Floor
200 N. Spring Street
Los Angeles, CA 90012**

1. Call to Order.

Commission President Sean Treglia called the meeting to order at 9:45 a.m.

Present: Commission President Sean Treglia, Commission Vice President Helen Zukin, and Commissioner Paul H. Turner.

2. Election of Commission President and Vice President for FY08-09, pursuant to City Charter Sections 700(b) and 503(a).

Commissioner Treglia opened the floor up to nomination of Commission President, adding that he would like to nominate Helen Zukin to be President of the Commission. Seconded by Commissioner Turner.

Commissioner Zukin accepted the nomination.

Motion carried, 3-0.

Commissioner Treglia called to order the nomination for Commission Vice President. Commissioner Zukin nominated Commissioner Treglia to serve as Vice President of the Commission. Seconded by Commissioner Turner.

Motion carried, 3-0.

Commissioner Zukin stated that it is an honor to serve on the Commission as president, and to work with the Commission staff and the remaining body of the Commission.

Deputy City Attorney Renee Stadel stated that Commissioner Zukin will continue the meeting as Commission President, and Commissioner Treglia as Vice President.

3. Approval of the Draft Minutes for the meeting of June 10, 2008.

Commissioner Zukin asked if there was a motion to approve the minutes of June 10, 2008. Commissioner Treglia moved to approve the minutes for June 10. Motion seconded by Commissioner Turner.

Motion carried, 3-0.

Executive Director LeeAnn Pelham noted that because of the shortage in the commission's budget and resources, the minutes are briefer than they have been in the past. She stated that the goal of the Commission's staff is to complete the minutes with the staffing levels that we have.

Commissioner Zukin noted that the commission spent a significant amount of time during the June 10, 2008 meeting on Lobbying 101, but it was reduced in the minutes and it would have been hard to understand from the minutes alone. Executive Director Pelham responded that staff will keep that in mind when composing the minutes and strive to keep the essence and accuracy as much as possible.

4. Public Comment.

No comments.

5. Executive Director's Report [LeeAnn Pelham].

Executive Director LeeAnn Pelham stated that the informational report is in the Commissioner's binders, and that she has nothing to add at this point.

6. Monthly Policy & Legislation Report [Heather Holt].

Director of Policy & Legislation Heather Holt stated that there were no updates to report except that the Education and Neighborhood Committee may consider financial disclosure by neighborhood board members on July 22. Commissioner Zukin asked if our proposals will be made known at that meeting. Holt responded that they will and added that the Committee is aware that the Commission declined to adopt the form proposed by Councilmember Alarcón at last month's meeting.

7. Update on the status of the lobbying ordinance review [Heather Holt].

Holt stated that staff is on track to present formal recommendations regarding the Municipal Lobbying Ordinance at the August Commission meeting. She emphasized that the staff has given a great deal of time and effort in considering the ordinance and how it can be improved.

Holt suggested that the Commission consider creating a two-member ad hoc subcommittee to work with staff between now and the August meeting. The purpose of this subcommittee would be to discuss some of the proposals in advance—providing the staff with a sense of what questions might be posed by the Commission. Commissioner Zukin responded that only three commissioners are present and that there are some vacation schedules to consider. Therefore, Commissioner Zukin suggested that the Commission wait until next month, when a greater number of Commissioners are present, to consider the formation of a subcommittee.

Commissioner Zukin inquired about the input from the elected officials and the lobbying community. Holt explained that the elected officials have had informal discussions with staff and are aware that the Commission is considering changing the lobbying ordinance. She added that the lobbying community has also provided input on several occasions. Commissioners Zukin and Treglia said it may be helpful to do some additional outreach to the elected officials and the lobbying community. Commissioner Turner asked if the staff had gathered input from nonprofit organizations. Holt stated that the staff had not heard from that sector. Commissioner Treglia suggested that staff consult with Elizabeth Bluestein at Public Counsel.

8. Informational item on commissioner recusals in the first two quarters of 2008 [Alexandria Latragna].

Policy Analyst Alexandria Latragna presented the informational item.

City board or commission members who have recused themselves a threshold number of times are being reviewed at this time, and Latragna added that this is a long process due to the amount of information that must be gathered in order to create a report. Commissioner Treglia pointed out that Commissioner Jubany has recused herself a threshold number of times. Commissioner Zukin asked if there is a timeframe that the staff uses in conducting these reviews, and Holt added that we do not have a specific time frame in finishing the review since there are unique circumstances in each case.

Commissioner Turner asked if we are receiving an expected number of recusals, and Latragna stated that according to historical data, these two quarters are about average. Deputy City Attorney, Renee Stadel stated that it is somewhat hard to gauge the success of the program due to the relative newness of the requirement.

Commissioner Treglia suggested that after completing one or two of the reviews, staff should create some sort of system for reviewing these recusals, and report back to the commission. Staff concurred.

9. Consideration of and action on the following stipulated settlements:

a. In the Matter of Tony Càrdenas and Councilman Càrdenas Committee, CEC Case No. 2008-36 [Deena Ghaly & Artin Berjikly].

Deputy Executive Director and Director of Enforcement Deena Ghaly stated that items nine and ten are two related enforcement actions regarding Councilman Càrdenas. She said there are three counts of excess contributions, and the proposed fine is one and a half times the excess amount,

as opposed to one times the amount where there is no enforcement history. The additional two counts relate to missing scripts—where the staff proposed \$150 for each missing script.

Commissioner Zukin asked about the seemingly long timeline as it relates to this case, and Investigator Artin Berjikly responded that it took quite sometime to gather information from the respondents in this case. Commissioner Zukin questioned why there were two and a half months between when the investigation concluded and when the probable cause report was issued. Ghaly responded by stating that while we have subpoena powers, we are required to seek voluntary compliance first. In addition, there are approximately 70 to 80 active investigations going on, and 200 to 300 active whistleblower complaints that are spread between only four investigators. It is because of this fact that it is difficult to juggle each case and make sure that we have all of the correct documents and evidence.

Commissioner Zukin commented that staff has been moving the cases through faster since her membership on the Commission, and encouraged staff to continue with their progress even though there are bottlenecks.

Commissioner Treglia stated that the fines are not stiff enough under the circumstances and requested Ghaly to expound on the respondent's past history of violations. The respondent did have many similar violations of this type, but Ghaly stated that these particular violations before the Commission today are not numerous.

Commissioner Treglia expressed concern for the fact that the script's advertisement was intended to have an impact on the voter's decisions as it went out two days before the election. In addition, he stated that it troubles him that the respondent in this case has substantial violations in the past; therefore, his recommendation would be to increase the fine to three times the violation. Commissioners Zukin and Turner concurred.

Commissioner Zukin stated that the history of the candidate should be factored into the fine for a violation.

Commissioner Treglia stated that it was his hope that scripts from campaigns be filed electronically.

Commissioner Zukin opened the floor for a motion on the proposed stipulation. Commissioner Treglia moved to decline the staff's recommendation, and that staff return with a recommendation that is more inline with what was discussed.

Seconded by Commissioner Turner.

Motion carried, 3-0.

10. Consideration of and action on the following proposed stipulated settlements pursuant to the Commission's infraction policy:

- a. In the Matter of Caffee Roberto, Inc. and Bellagio Investment Management, CEC Case No. 2008-37 [Deena Ghaly & Artin Berjikly].**

b. In the Matter of Tower Plaza, LLC and Cheyenne Studios, LLC, CEC Case No. 2008-38 [Deena Ghaly & Artin Berjikly].

Ghaly said the two cases before the Commission are infraction policy stipulations stemming from the same election. Both of the respondents have no prior history of violations and the staff recommends that the respondents be extended use of the infraction policy.

Commissioner Turner asked if there was any proof of an intentional infraction, and Ghaly stated that these cases did not rise to the criminal level, but rather they were unintentional infractions.

Commissioner Treglia moved to accept the staff's recommendation for both items 10a and 10b. Seconded by Commissioner Turner.

Motion carried, 3-0.

11. Consideration of and action on contract with the State of California Office of Administrative Hearings [Deena Ghaly].

Ghaly stated that all of the Commission's enforcement proceedings are framed in consideration of the due process requirement. Generally, full evidential hearings are the exception to how the Commission's cases are resolved. However, in preparation for the potential of having that type of proceeding, one of the key steps is to have an outside hearing officer available.

Commissioner Treglia moved that the Commission adopt the Resolution. Seconded by Commissioner Turner.

Motion carried, 3-0.

12. Consideration of and action on approval of alternative probable cause officer list [LeeAnn Pelham].

Executive Director, LeeAnn Pelham, stated that this item is required by the Commission's regulations. The Executive Director can be called upon to serve as a probable cause officer in an informal proceeding to determine whether there is enough probable cause to bring a case forward to the Commission for an administrative enforcement. The Commission's regulations provide that in the event the Executive Director finds that she may not be able serve, there is a list of three former government attorneys approved by the Commission, who would be available to serve in that capacity. Pelham explained that staff has updated that list and is now bringing it forward for approval.

Commissioner Zukin said she would like to entertain a motion to accept this list of probable cause officers. Seconded by Commissioner Treglia.

Motion carried, 3-0.

13. Consideration of and action on statements of economic interests for commission and department head SEI reviews [Shannon Prior].

Program Analyst Shannon Prior stated that before the Commission is the regular monthly review of the Pre-Confirmation Statement of Economic Interest Statements for those who have been appointed or reappointed to City boards or general manager positions.

Commissioner Treglia asked if there was a way to place the SEI forms and attachments online for the Commission's review, rather than making paper copies.

Pelham stated that the staff shares his concern to save paper, and that copies of the SEI forms and attachments could be sent to the Commissioners electronically, however, paper copies will remain available as a matter of public record.

Commissioner Zukin requested that documents within the Commissioner's binders be double sided to save paper. Staff concurred.

Commissioner Turner moved to approve the SEIs as recommended by staff. Seconded by Commissioner Treglia.

Motion carried, 3-0.

Pelham stated that Nedra Jenkins was confirmed by Council to serve on the Commission, but was not able to attend this month's meeting due to a scheduling conflict and is expected at next month's meeting.

14. Announcements and requests to schedule items on future agendas.

Pelham stated that the continuation of the evaluation process of the Executive Director is still pending on the agenda. Commissioner Zukin stated that she would like that issue to be placed on the next agenda. Pelham concurred.

Commissioner Zukin stated that it is a privilege to serve as president of the Commission.

15. Adjournment.

Meeting adjourned.